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# City of Los Angeles CALIFORNIA



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March 19, 2018

Mark Sokol, Board President  
Venice Beach Property Owners Association  
1320 Pacific Avenue  
Venice, CA 90291

## Re: NOTICE OF NONCOMPLIANCE

Dear Mr. Sokol:

This letter is to inform you that the Venice Beach Property Owners Association (Corporation) is out of compliance with the terms of the Agreement entered into with the City (C-129375), for the administration of the Venice Beach Business Improvement District (VBBID).

Section 2.2. states the Corporation is required to prepare and submit quarterly reports and a planning report each year assessments are levied, to the City. Sub-section A. indicates the planning report is due annually by November 1 for the following year, and prepared in accordance with Section 36650 of the Act. Sub-section B. states quarterly reports are to describe the status and progress of programs and services as delineated in the Management District Plan. Further, statistical and financial data is to be included. Section 2.6. requires the Corporation liaison with the community through quarterly newsletters and provide the newsletters to the City for reference.

The Corporation is responsible for submitting the quarterly reports approximately 30 days after each calendar quarter. The Agreement was executed and attested, on May 31, 2017; therefore, the first quarter report covering the period from January 1, 2017 to March 31, 2017 was not required. However, the Corporation was required to submit subsequent quarterly reports and newsletters. As of the date of this letter, the Corporation has failed to submit the 2<sup>nd</sup>, 3<sup>rd</sup>, and 4<sup>th</sup> quarter reports and the 2018 planning report.

In an effort to bring the Corporation into compliance, the City agreed to deadline extensions. We are aware that Miranda Paster of our Office provided an extension to the end of February for the 2018 annual planning report. In phone conversations, there were commitments made to submit the quarterly reports and newsletters prior to the end of 2017. At our meeting of February 14, 2018, it was agreed that 2017 quarterly reports and newsletters would be submitted by the end of February, and the 2018 annual planning report in April, after Board approval. On February 22, 2018, the City received electronic copies of two letters sent by the Corporation to VBBID stakeholders, a website announcement, and a timeline of occurrences dating from the first ballot tabulation for the establishment of the VBBID, to the date of the first VBBID meeting on June 9, 2018. Collectively, the City has accepted these documents

as meeting the quarterly newsletter requirement for the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> quarters of 2017. However, the Corporation has not submitted the required quarterly reports rendering it noncompliant.

The Corporation must submit to the City the delinquent quarterly reports for the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> quarters of 2017 no later than Friday, March 30, 2018, and the 2018 annual planning report (as mandated by Streets and Highways Code 36650) by April 30, 2018. Failure to do so will obligate the City to notice a hearing before the City Council regarding the disestablishment of the VBBID, per Government Code 36670 of the Property and Business Improvement District Law of 1994.

If you have any questions regarding this letter, contact Rita Moreno at (213) 978-1122.

Sincerely,

A handwritten signature in black ink, appearing to read 'Holly L. Wolcott', written over a horizontal line.

Holly L. Wolcott  
City Clerk

HLW:rm  
EXE-009-18

c: Honorable Councilmember Bonin, District 11